



PLANNING FOR A BETTER FUTURE

October 2008

Prepared by the San Luis Obispo County Department of Planning & Building



INTRODUCTION

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Cities and towns in the county have seen substantial growth in the past two decades, and substantial additional growth is projected in the future. With it, the following major challenges will face the county:

Growth: Where and how it should occur.

Most people seem to agree that directing most new growth into and adjacent to existing cities and towns makes sense. This will provide more affordable housing choices, reduce dependence on our automobiles, create more walkable communities, and help preserve and protect important agricultural lands and sensitive rural areas.

Future residents will need housing, yet many cities and towns are already experiencing water supply and transportation system problems. At the same time, a healthy economy is needed to provide jobs and prosperity. Also, production agriculture is vulnerable due to conflicts between rural development and agricultural operations and its water needs. Balancing all these needs will take careful planning and consideration, especially collaboration with cities, communities and others, if we are to maintain the quality of life we all enjoy in San Luis Obispo County.

Infrastructure: Roads, highway interchanges, water and sewer systems.

Directing most new growth to and around cities and communities is desirable, but a major obstacle to this idea is the lack of available long-term water supplies, increasing traffic volumes and

congestion and the increasing cost of infrastructure. As an example, many freeway interchanges in the county are not adequate to accommodate traffic demands. The cost of improving these interchanges has become very high in recent years, but new development can only be made responsible for their “fair share” of the cost of the improvement. This often leaves “a gap” in the amount of money needed to complete the project. To address this problem, County staff is looking at alternative ways of financing infrastructure.

Affordable Housing: Housing for average wage earners.

With the expected future increase in the county’s population, far more opportunities will need to be provided for affordable housing choices for the county’s workforce. This can help businesses thrive, because they can hire and retain quality employees. In addition, affordable housing near jobs, shopping, and other frequent destinations, can reduce traffic congestion and air pollution. Furthermore it can reduce economic stress on families, as they then spend less of their income on transportation. However, to provide more housing choices, we need to make major infrastructure improvements, identify land for higher density housing, and recognize that some additional higher density housing will be an asset to each community.

Economic Vitality: Assuring a vital and growing economy.

Appropriate economic growth can enhance our quality of life by generating better paying jobs, expanding shopping and cultural activities, and increasing government revenues to pay for public



Mixed Use: residential above retail, Nipomo

services and infrastructure. In addition, children who grow up in the county will be able to stay here as they form their own households. Economic vitality is more than just increasing business activity. It also means planning to provide housing and quality job opportunities, transportation and other infrastructure improvements, and a healthy environment.

Resource Conservation and Agricultural Protection.

In the future, it is likely that there will be increasing pressure to develop in rural and agricultural areas. This will increase land use conflicts between residential development and agricultural operations. It will increase competition over declining levels of groundwater. It will also diminish rural character. Already, four of the county's six major groundwater basins are in a critical situation. Protecting our water supplies and quality is therefore necessary, so is protecting open space, habitat for plants and animals, and air quality. Encouraging compact development in and around cities and communities can help protect agriculture, natural resources, rural character, and air quality, as well as conserve energy. However, this will require major infrastructure improvements, additional land for higher density development, and close collaboration with cities, communities, and other jurisdictions.

Long Range Planning: Programs to meet challenges.

The Planning and Building Department is working on several major Long Range Planning programs that deal with these challenges. These programs consist of:

- **Strategic Growth**, which places the Board of Supervisors-adopted princi-

ples for smart growth into the County General Plan, together with goals and implementing strategies.

- **Conservation and Open Space Element**, an update and consolidation of several parts of the County General Plan. It will include contemporary policies and implementation programs on a variety of topics such as biological and water resources, air quality, energy use and green building.
- **Housing Element Update**, an update of actions the County intends to take in order to help provide housing affordable to residents and to meet the requirements of State housing law.
- **Economic Development Strategy**, which will identify specific actions that the County and its partners can take to bring about economic vitality.
- **Countywide Rural Plan**, a new comprehensive, regional plan for land use and transportation in the rural parts of the county.
- **Growth Management Strategies**, including changes to the Resource Management System (RMS) and the Growth Management Ordinance, plus measures to provide and fund infrastructure for urban development; these strategies will encourage additional growth to be directed from rural areas to urban areas with sufficient resources, infrastructure and services.
- **Infrastructure Planning**, a program to explore innovative approaches to finance construction of major infrastructure, such as highway interchanges, roads, and water supply systems.

Each program is described on the following pages.



Active commercial area



Hollister Peak—natural resources and agriculture



Planning workshop

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Program Relationships.

These programs are interrelated, as shown in the chart on page 5. Together, these programs fit into a logical, coherent strategy to meet the challenges of providing for future growth. The result will be a viable and sustainable environment and economy, with housing and quality job opportunities for all future residents.

Program Timelines.

The chart on pages 6 and 7 shows the time lines within which each of the programs will be worked on and completed. Several programs are being worked on concurrently. However, this timing enables a logical work sequence to complete the programs in an efficient and timely manner. For example, the Strategic Growth proposal and Conservation and Open Space Element will be completed in 2009. They will establish the countywide policies and strategies for how future growth should occur. Those policies and strategies, together with important housing and economic policies and information from the Housing Element and Economic Element and Strategy--to be largely completed in 2009--will be essential for preparation of the Countywide Rural Plan.

The Countywide Rural Plan, now in its initial stages, will be coordinated with the closely related regional Sustainable Communities Strategy (SCS) planning effort being sponsored by the San Luis Obispo Council of Governments. As a result, the Countywide Rural Plan will build on the SCS efforts to achieve a successful regional plan in 2011.

Once the Countywide Rural Plan is completed and determines the appropriate amounts of growth in and around communities, community plan updates can

begin. They will plan for land use and transportation within unincorporated communities. In the meantime, concurrent with efforts on Strategic Growth and the Conservation and Open Space Element, staff will prepare growth management strategies (identified as "RMS/GMO Infrastructure" in the chart on pages 6 and 7). Those strategies start with infrastructure planning and funding, and revisions to the Resource Management System. Growth management strategies could be gradually phased in, allowing for funding of key infrastructure improvements in urban areas before or concurrently with any significant growth limitations in rural areas.

Public participation is a key element in all of these efforts, and is essential to their success. At the end of the discussion of each major Long Range Planning program on the following pages is a time line that shows the different phases of each program. Included are dates when the public can become more involved.

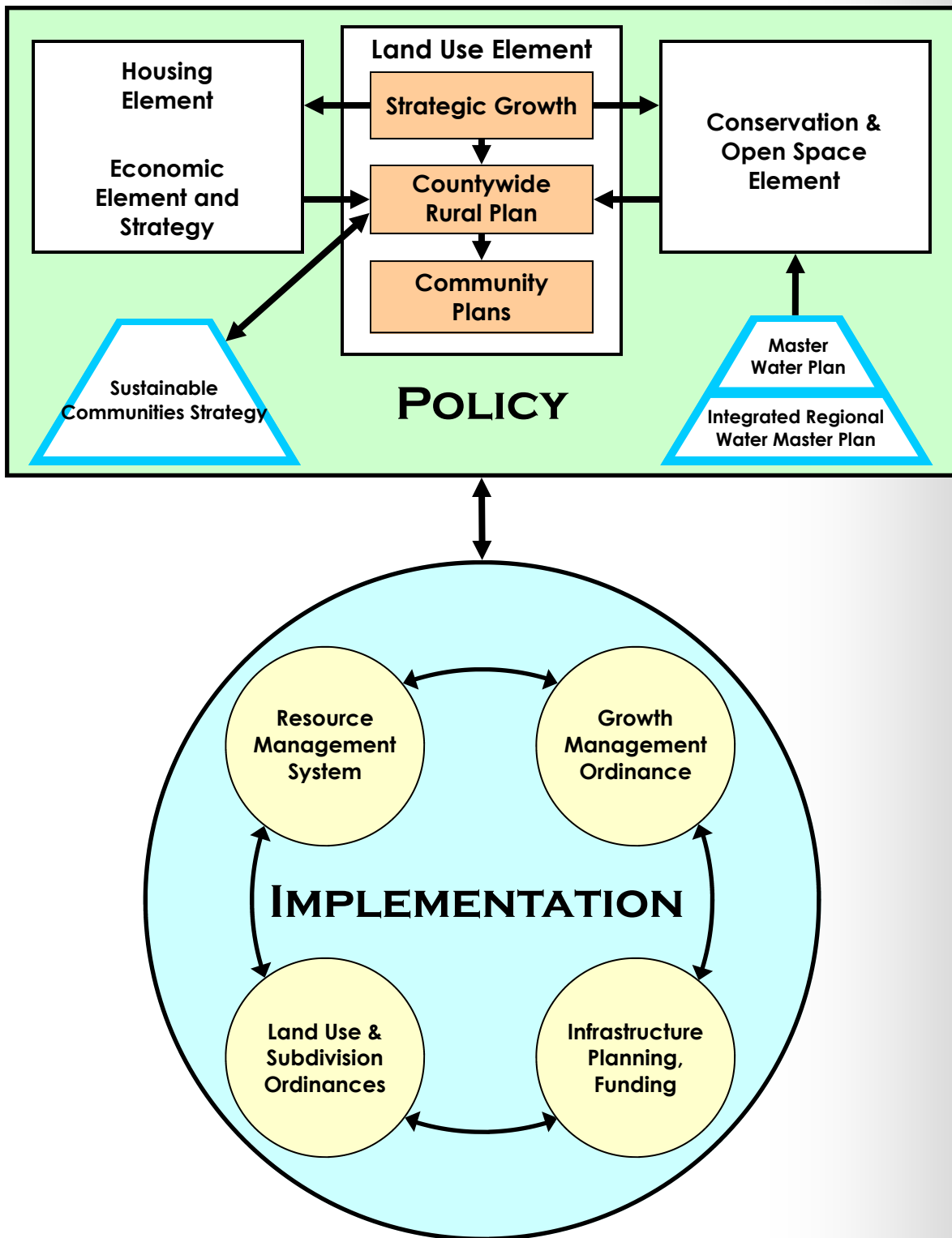
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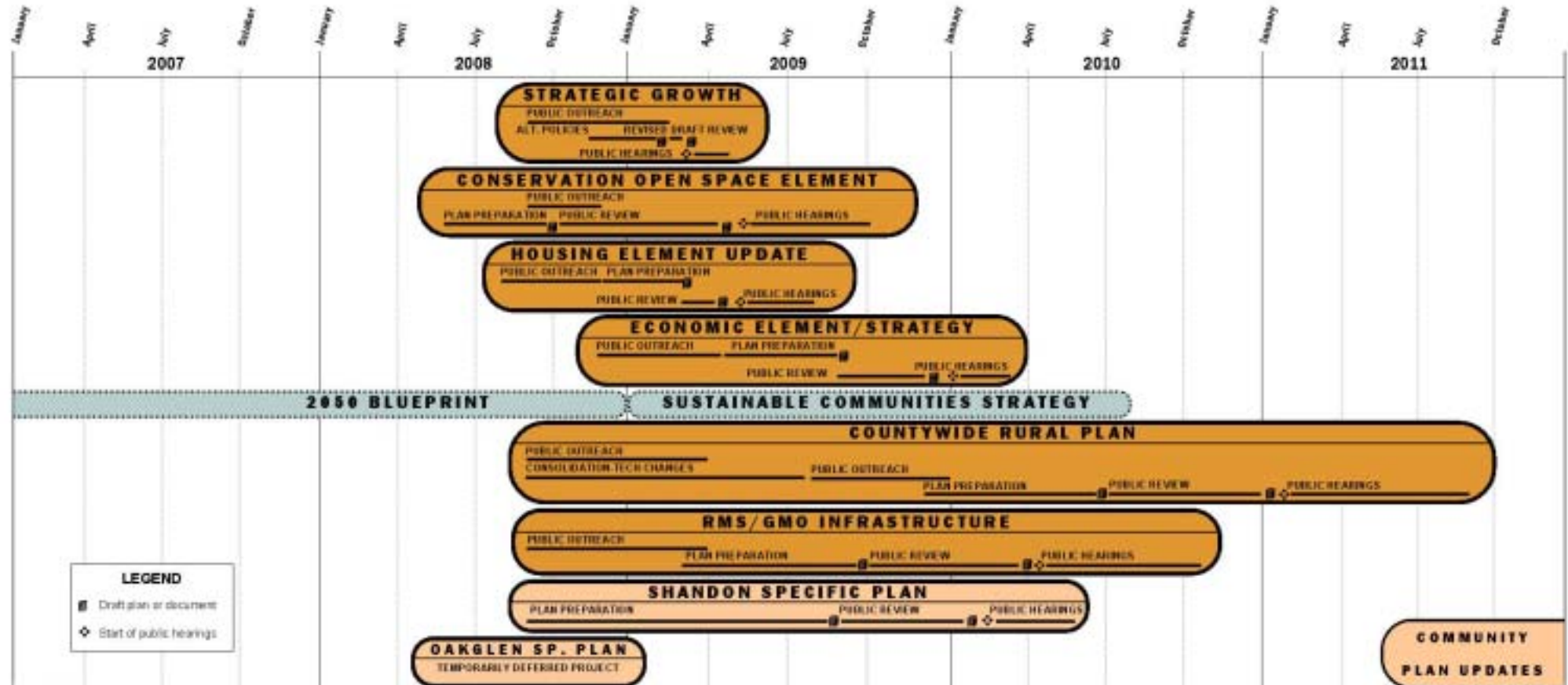
RELATIONSHIP OF LONG RANGE PLANNING PROGRAMS





SAN LUIS OBISPO COUNTY PLANNING & BUILDING

LONG RANGE PLANNING PROGRAMS



IMPLEMENTATION PROGRAMS

COUNTYWIDE PLAN/ CONSERVATION ELEMENT

- Biological resources mapping/inventory
- Community separators
- Resource and conservation strategies
- TDC revisions

HOUSING

- Mobile home park zoning standards
- Redevelopment
- Funding resources
- Homeless programs

ECONOMIC

- Industry cluster analyses
- EVC business assistance

INFRASTRUCTURE PLANNING, FUNDING

- Community facilities districts (CFD's)
- Other financing districts
- CDBG & other grants
- Willow Road Interchange

COMMUNITY PLANNING

- Update Countywide Design Guidelines
- Mixed-use Standards
- Morros Specific Plan

COMMUNITY PLAN ENHANCEMENTS

- Streetscape and related plans: Oceano Front St., Santa Margarita, W. Tefft Corridor, Cambria, Templeton Downtown
- San Miguel: Mission Street, railroad safety

STRATEGIC GROWTH IN THE COUNTY GENERAL PLAN

“Nearly 50 percent of households would prefer to live in a neighborhood that is a mix of single family homes, apartments and condo projects near parks, shopping, schools and work.”

- 2005 Opinion
Studies Survey

“The Home Builders Association wants to work with the county and the full-range of stakeholders to sharpen the principles and develop and achievable implementation strategy.”

- Jerry Bunin
Government
Affairs Director

What is it?

Strategic growth is compact, efficient and environmentally sensitive development that provides people with additional travel, housing and employment choices compared to conventional development. It focuses future growth away from rural areas and closer to existing and planned job centers, public facilities and services. It ensures that resources and services are available to support growth.

The County Board of Supervisors adopted 11 Guiding Principles of Smart Growth in 2005. In 2009, the Board of Supervisors included those principles in the County General Plan, together with policies and implementing strategies to achieve strategic growth.

Purpose

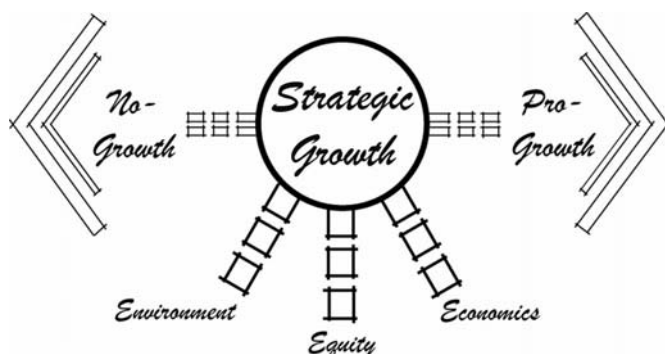
The purpose of *strategic growth* is to bring together the goals of *sustaining our resources*, such as water supplies, clean air, and habitats for plants; *providing for a vibrant economy*; and *planning livable communities*. The strategic growth pro-

posals are neither “no-growth” nor “pro-growth;” instead, they are intended to enable appropriate growth that balances environmental, economic and social concerns.

Our resources are becoming more constrained, the costs of infrastructure such as roads, highway interchanges and water systems are increasing and pressure for rural development will increase. As a result, it becomes more important to use our land, water and energy more efficiently. Doing so will help provide for future growth, preserve agricultural and natural resources, protect rural character, and promote economic vitality.

Key aspects of the plan

The proposed policies and strategies will guide future land use plans and decisions. Importantly, the policies and strategies also promote cooperation between the County, cities and other agencies and jurisdictions to achieve the County vision of safer, healthier, prosperous, livable and well-governed communities.



Benefits/results

Implementing the strategic growth measures will enable us to “live within our means” with respect to resources and infrastructure. In addition, they will help us to:

- Reduce sprawl, protect agricultural and natural resources, and maintain our valued rural character
- Plan compact, mixed-use neighborhoods, bringing jobs, housing, shopping, recreation and services closer together
- Conserve energy
- Provide more housing and transportation choices
- Reduce environmental and economic impacts from new development
- Save money on the cost of new public facilities and streets.

Strategic Growth Principles:

1. Preserve open space, scenic natural beauty and sensitive environmental areas. Conserve energy resources. Conserve agricultural resources and protect agricultural land.
2. Strengthen and direct development towards existing and strategically planned communities.
3. Foster distinctive, attractive communities with a strong sense of place.
4. Create walkable neighborhoods and towns.
5. Provide a variety of transportation choices.
6. Create a range of housing opportunities and choices.
7. Encourage mixed land uses.
8. Take advantage of compact building design.
9. Make development decisions predictable, fair and cost-effective.
10. Encourage community and stakeholder collaboration.
11. Strengthen regional cooperation.

Schedule

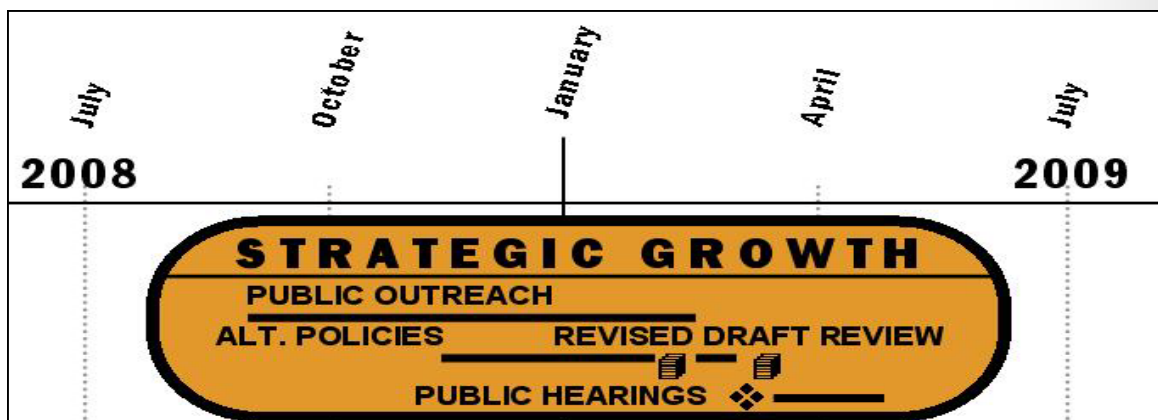
Following adoption of the strategic growth measures in April 2009, staff will continue public outreach efforts and coordination with cities, communities and agencies. In addition, implementation of priority strategies will begin.



Park in a compact neighborhood

“Greater acceptance by the public is needed. Incentives for communities to accept greater density need to be created, and people need to be educated about the benefits of density.”

- Dave Garth
Director, SLO
Chamber of
Commerce



CONSERVATION AND OPEN SPACE ELEMENT

What is it?

The State of California requires each local city and county to have a general plan with seven required parts, or elements. The Conservation and Open Space Elements of the County General plan are two of those required elements. The Department is working on an update to the 34 year-old Conservation Element. As part of this effort, the Department is combining or consolidating other general plan elements with the Conservation Element, including the Open Space and Energy Elements.



Open Hillsides

tect water supplies and quality, including important groundwater basins. Specifically, those policies will deal with:

- Groundwater assessments, monitoring and reporting
- Groundwater management plans and ordinances
- Groundwater priority for agriculture
- Water quality protections such as Low Impact Development (LID)
- Water conservation programs
- Water pricing for conservation

Purpose

The purpose of the combined Conservation and Open Space Element (COSE) is to protect water supplies and quality, biological resources such as habitats for plants and animals, cultural resources such as archaeological and historic sites, visual resources, and soils. The COSE is also intended to conserve energy, protect air quality, and encourage development that is compact and energy efficient. Consolidating several general plan elements into the COSE is intended to make general plan policies easier to find, more concise, and consistent. This will also reduce the number of documents that need to be reviewed by the public and decision makers, as well as the number of documents that need to be updated.



Grazing Lands

Other County policy documents also address water, such as the County Master Water Plan and the Integrated Regional Water Management Plan (IRWM). Those plans are also being updated at this time. One of the goals of the COSE update is to ensure that the water policies in the County Master Water Plan and the IRWM are consistent with the new COSE. The Planning and Building Department is coordinating closely with the Public Works Department to achieve consistent policies.

Two new topics in the COSE update are climate change and “green building.” They will have similar policies and implementation programs, including reducing vehicle miles traveled, constructing energy-conserving buildings, using alternative sources of energy, and encouraging more compact urban development.

Key Aspects of the COSE

Water is perhaps the most important resource addressed by the COSE. The COSE will update water policies to pro-



Lakes and Rivers

Green Building

Green building focuses on the design, construction and demolition of buildings in order to minimize their impact on the occupants and the environment. Green building policies and programs will promote the wise use of resources, energy-efficient building design and construction, and healthy indoor environments. For example, policies and programs will encourage green building practices in development projects and offer incentives to do so. Some policies and programs will address water conservation, including a variety of site design and landscaping measures to reduce storm water runoff. Such measures are also known as low impact development (LID). Other policies and programs will encourage healthy indoor air quality, for example, by designing buildings to take advantage of natural light. Other ways to improve indoor air quality are to use building materials and paints that are free of formaldehyde and that have low levels of volatile organic compounds (VOC).

Greenhouse Gas Emissions

Other subjects being introduced into the COSE are greenhouse gas emissions and climate change. These topics relate closely to air quality and energy, which are also discussed in the COSE. Several policies and programs address all of these topics. They include reducing vehicle miles traveled (VMT), encouraging higher density land uses near transit, and developing “complete communities” that include a range of housing choices, jobs, commerce, and services.

Reducing VMT is local government’s single most effective strategy to improve air quality, conserve energy and minimize its effect on climate change. However, VMT

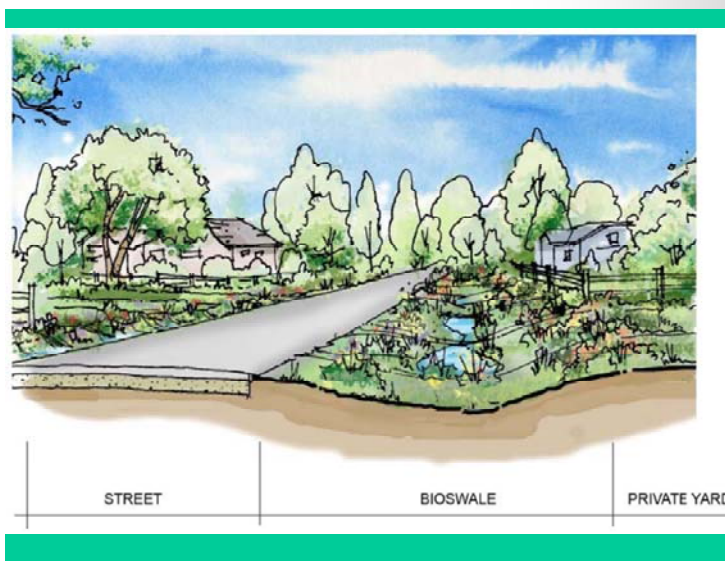
has been rising faster than the population as a whole in the county. We will need to reverse this trend in order to effectively improve air quality, conserve energy and minimize climate change. We can achieve this by preparing a Climate Action Plan with a variety of strategies.

Climate Action Plan

Preparing a Climate Action Plan begins with a Greenhouse Gas Emissions inventory. This inventory identifies how much carbon dioxide and other greenhouse gases are produced in the county in a baseline year. The Climate Action Plan sets a goal for reducing greenhouse gas emissions, for example, a certain percentage reduction from the baseline year. It then sets target reductions in greenhouse gases to achieve the reduction goal. A Greenhouse Gas Emissions inventory has already been completed. It was used in preparing the Environmental Impact Report for the COSE, and will be used in the soon-to-be-developed Climate Action Plan.

“Roughly two-thirds want to retain open land between cities rather than to allow cities to develop side-by-side.”

- 2005 Opinion Studies Survey



Low Impact Development

Continued next page

Benefits/Results

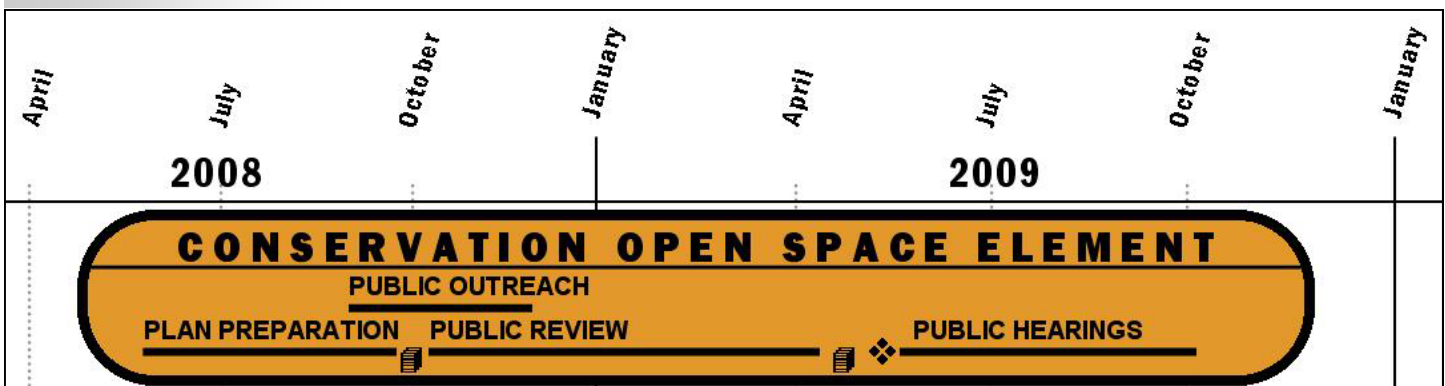
The COSE update will help us protect, conserve and sustain our valuable water, land, air and other resources for future generations. The updated and consolidated policies will be easier for the public and decision makers to find and use. In addition, for the first time, the County will have policies in place to address greenhouse gas emissions, which have been implicated in climate change.

Schedule

The draft COSE was released for public review and comment in April 2009. In June 2009, the County Planning Commission will begin its public hearings, and the Board of Supervisors hearings should begin in fall 2009.



Whale Rock Reservoir — near Cayucos



Resources around San Luis Obispo County



Dolphins



Estero Bluffs—Cayucos



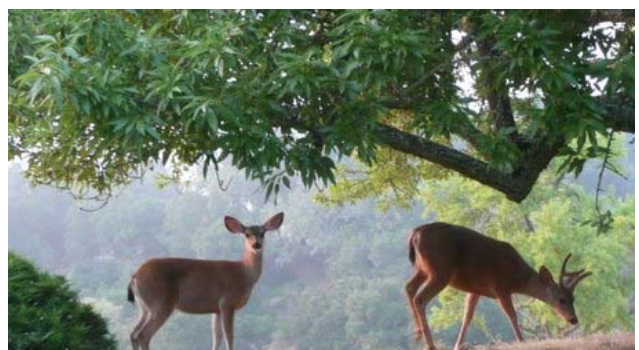
Shell Creek—Wildflowers



Bishop Peak ® and The Morros



Creek Habitat



Deer foraging

AFFORDABLE HOUSING: HOUSING ELEMENT UPDATE

What is it?

Simply stated, *Affordable housing* is housing that is affordable to the people who rent or own it. County ordinances define the maximum amount of rent or purchase price local households can afford, broken down by five different household income ranges and by the number of bedrooms. A commonly used measure of affordability is the percentage of income that a household must pay for housing costs. Some public agencies use 30 percent of income, whereas others use 35 percent. For example, a family of four persons with a yearly income of \$75,000 should be able to afford to pay \$289,000 to purchase a home if the home loan can be obtained with 30-year, fixed rate interest and if the homeowners association dues are no more than \$150 per month.

“Almost two-thirds of households cite ‘not enough housing for the average worker’ as an extremely serious problem”

- 2005 Opinion
Studies Survey



**Affordable Senior
Housing**

Purpose

The Housing Element of the County General Plan establishes the actions the County will take in order to provide the housing its residents need. The County doesn't build housing itself. Instead, it identifies land where housing can be built by others, approves incentives such as density bonuses and even provides

financing for some affordable housing.

Key Aspects of Affordable Housing

The next Housing Element Update must be adopted and submitted to the State Department of Housing and Community Development (HCD) by August 31, 2009. The Regional Housing Needs Plan (RHNP) adopted by the San Luis Obispo Council of Governments (SLOCOG) de-

County's Share of Housing Needs Jan. 1, 2007- Aug. 30, 2014

Extremely Low and Very Low-Income	298
Low Income	208
Moderate Income	246
Above-Moderate-Income	544
TOTAL	1,296

tails how many housing units the County and cities must plan for during the 7.5-year period from January 1, 2007 to August 30, 2014. For that period, the County must plan for 1,296 new housing units comprised of a mix of extremely low, very low, low, moderate, and above-moderate-income housing. The breakdown is as follows:

HCD will not approve the updated Housing Element unless it shows that enough vacant land is designated (or zoned) for construction of housing with a density of at least 20 units per acre to accommodate 516 new housing units. According to the RHNP, that is the amount of new housing needed outside of the cities for low and very low-income households. These households have annual incomes less than 80 percent of median. A four-person

household is classified as “low income” if its annual income is less than \$56, 650.

The Housing Element is now required to have stronger provisions to deal with the housing needs of the homeless. The Element will need to identify a zone or zones where emergency shelters are allowed without the requirement for conditional use permit.

Benefits/results

The benefits of updating the Housing Element are two-fold:

- 1. Programs will be established to improve the availability of affordable housing needed by locally-employed persons; and
- 2. Having a State-approved Housing Element provides some protection to the County from lawsuits.

Several benefits result when affordable housing is available near job centers, shopping areas, schools and other frequent destinations:

- 1. Reduced traffic congestion, since workers commute less to get to work;
- 2. Thriving businesses, because they can hire and retain quality employees if those employees can find affordable housing near work;
- 3. Less air pollution from automobiles

due to shorter commutes, less fossil fuel consumption, and less need for costly road improvement and maintenance projects; and

- 4. Less economic stress on families, since they can spend less of their income on transportation costs.

Schedule

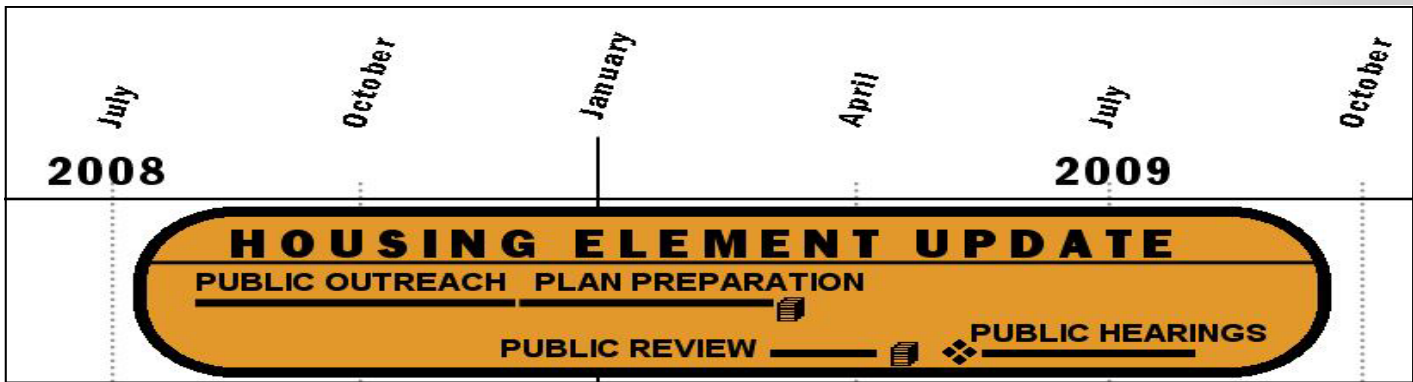
The Planning and Building Department issued the Public Review Draft Housing Element in early March 2009. After reviewing comments from the public and from HCD, staff will prepare a Public Hearing Draft Housing Element. It will be considered by the Planning Commission in July 2009. The Board of Supervisors is scheduled to hold a hearing to adopt the Element in August 2009, thereby meeting the State deadline.

“Two thirds of households advise local governments to plan new housing to match plans for jobs.”

- 2005 Opinion
Studies Survey



Affordable housing, Nipomo



ECONOMIC VITALITY: ECONOMIC DEVELOPMENT STRATEGY



New construction

“Lack of affordable housing and of well-paying jobs are rated as very serious problems.”

- 2005 Opinion
Studies Survey



Attractive downtown

What is it?

Economic vitality exists when local businesses thrive. This provides well-paying jobs for residents, profits for the investors and taxes or fee revenue to support public services. However, economic vitality is more than just increasing business activity. Proper economic vitality results from shaping a community's future by creating the right jobs in the right locations. Economic vitality must be tailored to fit within the character of each community.

Purpose

With appropriate economic growth, children who grow up in the county will be able to stay here as they form their own households. Economic growth can enhance the quality of life for county residents through better paying jobs and by expanding the variety of shopping and cultural activities. Economic growth can also provide tax and fee revenue needed to pay for public services and community infrastructure needs desired by local residents.

Key Aspects of Economic Vitality

Projections for the future of San Luis Obispo County present a vision with both positive and negative aspects. We can simply allow the future to unfold or we can choose to influence the future through deliberate actions now. Here are just a few relevant trends:

- Persons between 35 and 64 years of age will continue to decline as a percentage of the total population, due to the high cost of housing and limited economic opportunities in San Luis Obispo County (California Department of Finance).
- People 65 years of age or older will increase in number from 14.6 percent in 2000 to 22.8 percent by the year 2050 (California Department of Finance).
- Median family income, when adjusted for inflation, has been falling since 2004 and is expected to continue falling through 2012 (UCSB Economic Forecast Project's 2008 SLO County Economic Outlook)

The county's population and economy will continue to grow slowly, in part because county residents prefer it that way. In light of this fact, the author of the 2008 SLO County Economic Forecast recommends that local governments focus on the “information sector” for economic growth. Tourism is another sector that is growing faster than population growth. Although tourism does not provide many high paying jobs, it does provide tax revenue (sales and bed taxes) that aids in providing government services.

The County Planning and Building Department is collaborating with key stakeholder, to prepare an *Economic Development Strategy*. It will be based on

assumptions about population growth and desired “clusters” of businesses that can succeed here. The plan will identify a preferred feasible scenario for the future that is better than the forecasts. The County can then identify key programs to help achieve the preferred scenario.

Business “clusters” are groups of businesses with similar technologies, products or services, or that support each other by providing goods and services they need to succeed. Economic plans often focus on business clusters rather than on individual firms. Successful cluster strategies build on the types of businesses already present in the local economy, rather than trying to attract businesses to build a cluster from nothing.

Benefits/results

The proposed Economic Development Strategic Plan will identify specific actions that the County and its partners can implement to bring about *economic vitality*. This plan will not be adopted into the General Plan, but instead will be adopted by the Board of Supervisors as a living document that can be changed quickly to respond to changing economic conditions and to take advantage of new opportunities. The Economic Development Strategy will also include measures to assess whether specific actions are successful in achieving the desired results.

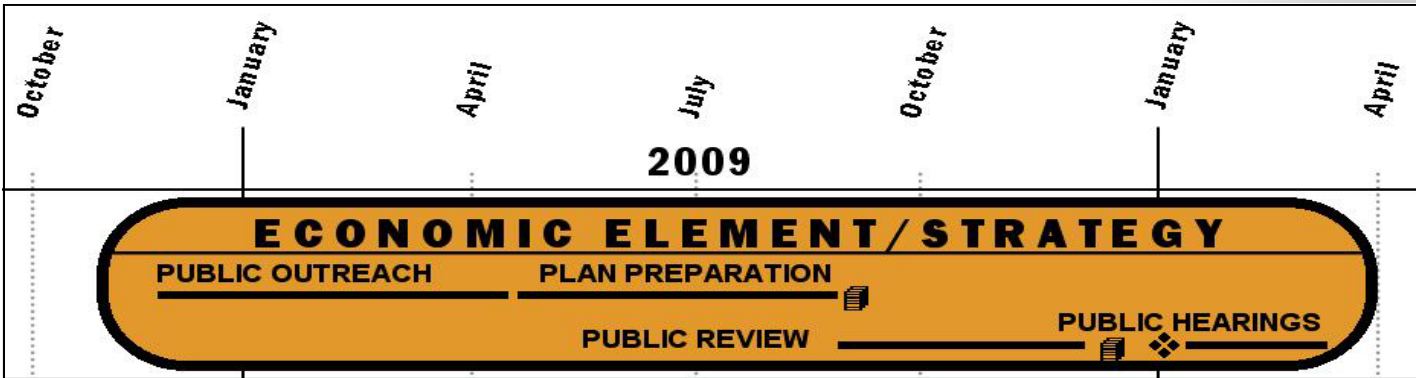


Local markets

Schedule

The County Planning and Building Department will collaborate with the Economic Vitality Corporation to prepare a draft Economic Development Strategy in the coming months for public review. Once approved by the Board of Supervisors, it will provide a schedule of actions to carry out key economic objectives.

Active job market



COUNTYWIDE RURAL PLAN

What is it?

The Countywide Rural Plan is a new comprehensive, regional plan for land use and transportation in the rural parts of the county. It will be a key part of the Land Use Element of the County General Plan. It will reorganize and consolidate portions of the County Land Use Element and Land Use Ordinance for both inland and coastal areas.

“A majority of households wish to steer growth to already developed areas rather than undeveloped rural areas.”

- 2005 Opinion
Studies Survey

Purpose

The Land Use Element, a part of the County General Plan, has not been comprehensively reviewed and updated in over 25 years. As San Luis Obispo County continues to attract new residents, a new regional and comprehensive planning approach is needed now to meet the challenges of providing for future growth. A key challenge is to provide major infrastructure such as water systems, roads and highway interchanges. Other major challenges are to

sustain for future generations resources such as water supplies, clean air, and habitats for plants and animals.

A major goal of the Countywide Rural Plan is to simplify the County's land use plans and ordinance by:

- Combining the 15 separate area plans of the County Land Use Element into a few sub-regional plans
- Eliminating redundant ordinance standards in the existing area plans

Key aspects of the plan

The Countywide Rural Plan will address regional needs that will become even more important as the county grows. Those needs include:

- Housing for all incomes
- Growth areas for housing and jobs around cities and towns, while protecting rural character and maintaining well-defined towns
- Sustainable water supplies and other resources
- Major infrastructure
- Economic vitality for business
- Agriculture, open space and habitat protection

Benefits/results

By consolidating and reorganizing the existing area plans and policies into a Countywide Rural Plan, the County will save time and money when it comes to updating the area plans in the future. In

Los Osos Valley



addition, the new and reorganized documents will be more concise and easier to understand. The new Plan will also help avoid some of the impacts and costs of continuing the current growth trends and patterns by:

- Sustaining groundwater resources for future generations
- Protecting agricultural land and natural resources, and hence opportunities for tourism
- Avoiding additional costs for infrastructure, fire protection, and rural road maintenance
- Reducing vehicle miles traveled, air pollution, energy use, and greenhouse

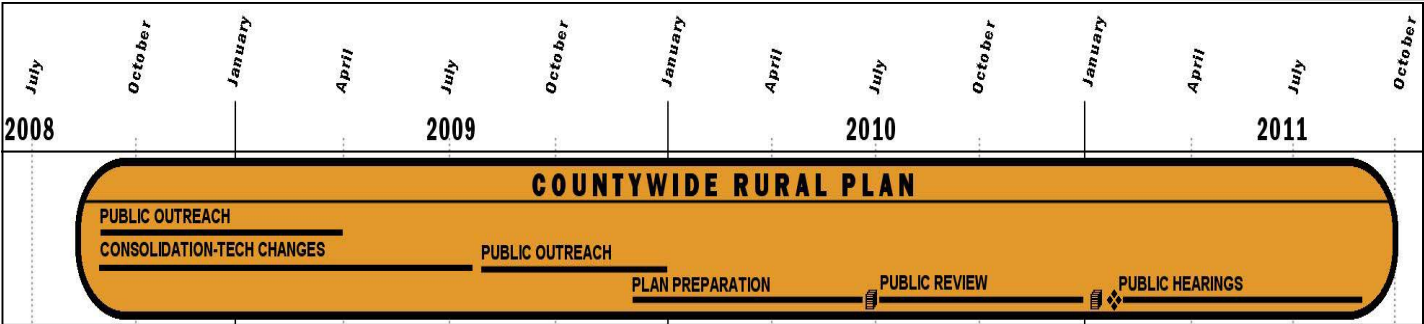
- gas emissions
- Protecting rural character and separation between communities
- Preserving quality of life that most residents desire

Schedule

A draft Countywide Rural Plan is expected to be released for public review and comment in summer 2010, followed by public hearings at the County Planning Commission beginning in early 2011. The County Board of Supervisors could hold hearings starting in the summer of 2011.



Possible sub-regional planning areas



GROWTH MANAGEMENT STRATEGIES

What is it?

The Resource Management System (RMS) is part of the County General Plan's Land Use Element. The RMS acts as an "early-warning" system that is meant to trigger actions to assure that adequate resources and services will be available in our communities. The RMS looks at such resources and water supply and systems, sewage disposal, road and school capacities, and air quality. For each resource and service in each community, the RMS establishes levels of severity I, II or III (III being most critical), depending on if there is a resource or service shortfall and how serious it is.

The Growth Management Ordinance (GMO) limits the number of building permits for housing issued in the unincorporated areas of the county. It keeps the growth of housing units at 2.3% per year or less overall. Certain communities or areas may have lower growth rates due to resource deficiencies.

Purpose

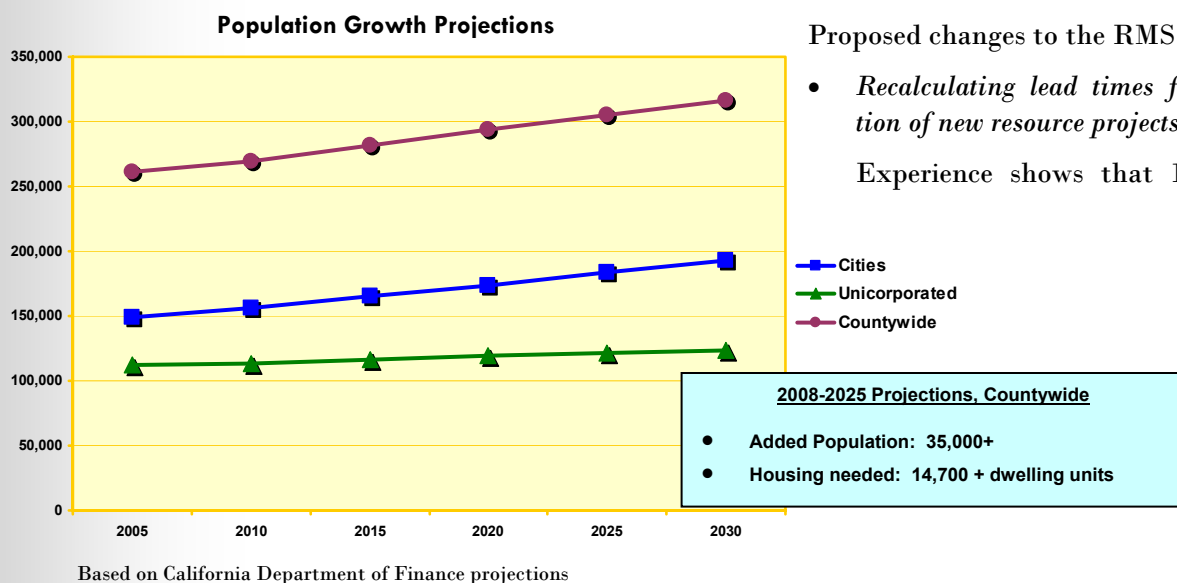
The Board of Supervisors has directed the Planning and Building Department to propose changes to both the RMS and the GMO. These changes will help assure that the existing and future population can be supported by resources and services. In addition, by encouraging additional population growth to be directed towards urban areas with resources and services and away from rural areas, these changes will help avoid some of the adverse consequences of continuing the current growth trends and patterns. Such consequences include rural sprawl, impacted agricultural and natural resources, diminished rural character, increased costs of certain public facilities and services, and reduced opportunities for affordable housing. Other consequences are increased energy use, vehicle miles traveled, air pollution, and greenhouse gas emissions that are implicated in climate change.

Key Aspects of the Program

Proposed changes to the RMS include:

- *Recalculating lead times for construction of new resource projects*

Experience shows that 10 or more



years are needed to bring a new water project on-line. The RMS needs to acknowledge these longer time frames so that the planning and design of projects is triggered at an earlier time.

- *Establishing mandatory actions when levels of severity are reached*

This will put in place automatic responses to correct resource or service deficiencies that can be implemented immediately.

- *Addressing freeway interchanges as well as local roads*

Freeway interchanges should be addressed, as they are crucial and very expensive improvements that occur over many years.

- *Monitoring greenhouse gas emissions, vehicle miles traveled and park land supply and demand* in order to inform future actions regarding those items
- *Streamlining the RMS process*

Proposed changes to the GMO include:

- Setting growth limitations for groundwater basins instead of by community, when appropriate.
- Setting lower growth rates in groundwater basins that have resource deficiencies (levels of severity I-III)

A related strategy is to create incentives for water conservation and groundwater management. Another strategy is to establish a rural or countywide fee to address impacts on infrastructure and services.

The RMS and GMO should be revised to work together. For example, areas of the county that are identified as resource-constrained in the RMS should be given a level of severity that results in a lower rate of new development in the GMO.

Benefits/Results

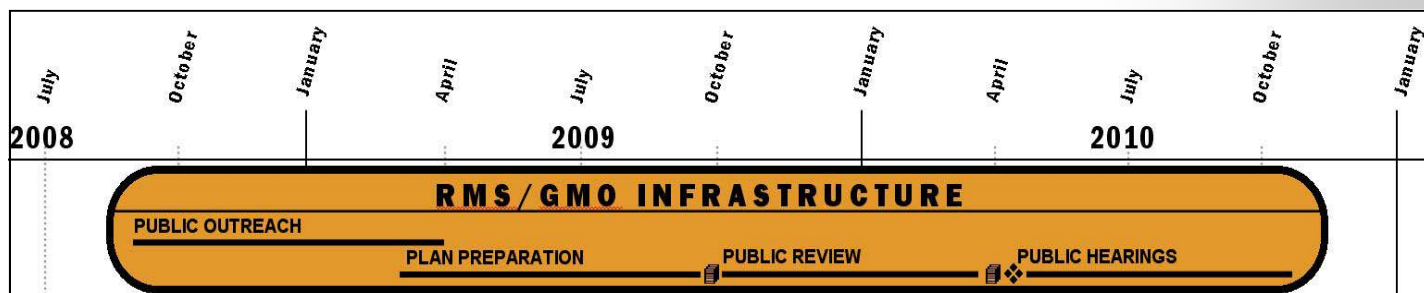
The revised RMS and GMO will work together to address resource constraints quickly and efficiently. The RMS program will be made more comprehensive and effective with the addition of freeway interchange constraints, and with more realistic timeframes for improvements and use of automatic actions to address resource shortfalls. This will allow the County to guide new development to places that have the resources to support it, avoiding rural sprawl and its associated undesirable consequences.

“A majority of households prefer to limit growth to available water supplies, rather than to conserve or to pay for extra water so that more affordable housing could be created.”

- 2005 Opinion Studies Survey

Schedule

On April 21, 2009, the Board of Supervisors authorized the Planning and Building Department to work on the proposed changes to the RMS and GMO. The proposals will be processed in phases, with the final phase expected to be completed in late 2010 after Planning Commission and Board of Supervisors hearings.



INFRASTRUCTURE PLANNING



Freeway Interchange

What is it?

Infrastructure consists of water and sewer lines, roads, bridges, interchanges, transit facilities, schools and other facilities needed to for people to live and work safely and efficiently. The most crucial infrastructure components that San Luis Obispo County and local special districts construct and maintain are *roads, water supply, wastewater, and flood control systems*. While the Public Works Department directly constructs and maintains some of these infrastructure systems, the Planning and Building Department assists by preparing plans for their locations and financing.

Purpose

Infrastructure systems are necessary for new homes and businesses. New proposed development that is consistent

with the County General Plan cannot proceed without proper infrastructure providing water supply, sewage treatment, roads for access by automobiles and/or trucks, drainage to prevent flood damage, and sidewalks or pedestrian paths.

Key aspects of Infrastructure Planning

The County faces continued challenges in the future as it plans, finances and constructs major infrastructure projects needed to allow growth. This is due to many factors, chiefly the dramatically increased costs of construction. At the same time, sources of federal and state grants have declined.

The County selected a pilot project to explore and test innovative financing approaches. The County found that revenue available through traditional “impact fees” alone is not sufficient to fill the funding gap for large projects. Other financing is necessary. For the Willow Road Interchange project, the County is considering a blend in local contributions which may include road improvement fees, a Community Facilities District and a parcel or ad valorem property tax increase.

Benefits/results

Without adequate road capacity, traffic congestion results in longer driving time to work and other destinations, increased use of fuel for vehicles, dangerous traffic conditions for drivers and pedestrians,



Water Treatment Plant

and public opposition to new development. Inadequate flood control systems can result in flood damage and prevent new development from proceeding. Water and wastewater systems must have adequate capacities or new development cannot proceed.

Schedule

Construction of the Willow Road Interchange project is scheduled to begin in 2009 or 2010, and any debt incurred for the project will be repaid over 20 to 30 years. The Board of Supervisors may be asked to authorize a specific mix of financing techniques in late 2009, following a survey of affected residents to determine the level of support for the proposed financing.



Streetscape Improvements
